

# Annual Report 2000 of the Environmental Finance Center Network

Environmental Finance Center Network

2000 Annual Report

## EFC at Syracuse University

### The Environmental Finance Center (EFC) at Syracuse University's Maxwell School of Citizenship and Public Affairs was established in 1993

The United States Environmental Protection Agency's Region 2 Environmental Finance Center (EFC 2) at Syracuse University's Maxwell School of Citizenship and Public Affairs was established in 1993. Since its establishment, the Syracuse EFC has undertaken a wide range of projects and activities, and built a considerable record of accomplishment. The focal point of the EFC has included full-cost pricing of environmental services, the value of intergovernmental cooperation in addressing environmental improvement projects, collaborative planning among public and private environmental service providers, and the coordination of technical assistance services available to rural communities. In each of these areas, the EFC has either provided

customized assistance to communities or facilitated the coordination and delivery of services from public and private agencies.

There were two primary activities of the EFC in 2000. The first involved planning the implementation of the *Public Management and Finance Program (PMFP)*, a project conceived to impart valuable training in environmental finance to local government representatives. The second was the *International Environmental Finance Technical Assistance Program*, a project supported by EPA's Office of International Activities for the purpose of developing environmental finance training for other countries.

Also during 2000 the EFC continued to use an EPA supported Windows®-based computer software program known as RateMod Pro software to assist communities in setting financially responsible water and wastewater rates. This computerized rate model was developed for use by local water and wastewater systems. Other presentations focused on topics of public finance, capacity development, capital budgeting, and topics relative to the broader area of environmental governance.



EFC at Syracuse University

#### In this issue...

• Introduction . . . . .	1
• Accomplishments . . . . .	2
• Initiatives for 2001 . . . . .	4
• Special Projects . . . . .	5

The EFC continued to participate in and further establish collaborative relationships with other government-supported programs, public agencies, institutions of higher learning, and environmental technical service providers. These relationships have continuously fostered new and exciting opportunities for the EFC to enhance its strength and the capacity it has to deliver much needed services to local governments. Rural communities have remained a strong focus of the EFC as it continues to build upon its relationship with the New York State Rural Development Council.

Aside from cooperative efforts with other organizations, EFC 2 reaped great rewards in 2000 from collaborative activities with EFCs located in the other EPA regions. Among those activities was an analysis of water and wastewater funding programs in Vermont, discussions about construction debris recycling programs being initiated at two EFCs, planning the implementation of a source water protection project, and presenting the resources of the EFC Network to the Public Management and Finance Program in New York. Such activity has resulted in heightened awareness of the multiple resources and areas of expertise available through the EFC Network.

Syracuse University faculty and students have continued to participate in specific EFC projects. In May, 2000, six Master of Public Administration students from the prestigious public administration program of the Maxwell School dedicated three intense weeks to researching the quality of environment-related technical assistance available to rural communities of New York State. The Rural Development Council sponsored the research. A separate group of five students examined data of subprime lending in neighborhood communities for relationships to environmental justice issues.

The EFC expects 2001 to be a year in which the efforts of all past and present activities will buttress

existing partnerships, continue to build new partnerships, and engender enduring programs and, thus, enhance the services it provides to EPA Region 2.

## ACCOMPLISHMENTS

### International Environmental Finance and Technical Assistance Program

In the fall of 1997, the EPA's Office of International Activities (OIA) asked EFC 2 to develop an environment-related public finance training program for government managers in Russia. During 1999 and 2000, the OIA provided approximately \$800,000 for this purpose. These funds included a training project delivered by EFC 6 in New Mexico and customized services from an OIA independent consultant.

In 2000, EFC 2 focused on developing public finance training modules that were scheduled to be delivered in Russia in the summer of 2001. The modules integrate material ranging from the basic principles of public finance to current best practices of public administration and public finance techniques. Russian government professionals will receive hands-on training in the application of public finance principles to problems present in Russia. EFC 2 was responsible for arranging a partnership between the EPA's OIA and the Institute of Urban Economics (IUE), which will serve to deliver advanced levels of training after EFC 2 completes its training role in Russia. After meeting with several other institutions in Russia over a two-year period, EFC 2 considered the IUE a superb institution with in-country capacity to address environmental finance issues of municipalities and oblastes in Russia.

**Public Management and Finance Program**

Since EFC 2 was established at the Maxwell School, it has served as a resource for municipal professionals through a variety of presentations, workshops and other forums. The *Public Management and Program* (PMFP) was a natural outgrowth of these activities. It will serve as a means for municipal professionals and leaders from New York State communities to learn, explore, discuss and debate the principles of public finance. In 2000, EFC 2 brought together other private, government, and nonprofit organizations to assess the financial training and other technical assistance needs of primarily rural government officials and administrators. In April 2001 the EFCs at Syracuse, North Carolina, California, New Mexico and Maine, in collaboration with USDA, Rural Water Association, Rural Community Assistance Program, Tug Hill Commission, and Munistat Services will conduct a three-day training event at Syracuse University's Minnowbrook Conference Center. In addition to training, participants will engage in public policy roundtable discussions. The PMFP will use highly interactive and participatory methods of training. Future program content will be comprised of these components: 1) leadership fundamentals, 2) technical public finance skills, and 3) individualized strategic plans. Using these three components as the basis of the PMFP, simulations of real-life environmental finance problems will be used regularly for training purposes. It is anticipated that the function of the PMFP will serve as significant contribution to the *National Environmental Finance Program*.

**Analysis of Funding for Water Projects in Vermont**

In May, EFCs 2 was retained by the USDA Rural Development Division, Vermont State Revolving Fund, and the Vermont Council on Rural Development to analyze its water and wastewater funding programs and provide a financial model which would illustrate how to maximize the effectiveness of State and Federal resources in Vermont. EFC 6 and EFC 9 joined EFC 2 in the analysis project. In July the three EFCs conducted a charrette in Vermont with all stakeholders attending. The final outcome of the project was a report which was distributed to Vermont legislators and administrators and has since resulted in a variety of proposed changes to how communities access funding for water projects.

**Public Comments on the Ground Water Rule: A Three State Experience**

Under the lead of the National Association of Schools of Public Administration and Affairs (NASPAA), EFC 2 collaborated with the University of Mississippi and the University of Nebraska to conduct focus groups for the purpose of eliciting public comment on the proposed ground water rule. Research for the work had begun in 1999. The focus groups were conducted in four regions in New York State and resulted in valuable comments from system operators. The experience of the three states was compiled into a report that is currently being vetted for publication in a professional journal.

**Capacity Development Strategic Plan for New York State**

In August, 1998, the NYS Department of Health asked the EFC to facilitate the process of developing a capacity development strategic plan for the State. In 2000, EFC 2 continued to facilitate stakeholder meetings around the state. The inputs from the stakeholder meetings were included in the draft of the Capacity Development Strategic Plan submitted to the EPA in the fall of 2000.

### Brownfields Redevelopment

In 1999 the EFC collaborated with the City of Syracuse, Office of Community Development, Division of Neighborhood Planning, to prepare a proposal for the EPA Brownfields Assessment Pilot Program. An award to the City of \$200,000 for brownfields redevelopment and an award of \$50,000 for greenspace planning resulted. In the fall of 2000, the City determined that EFC 2 was the appropriate organization to facilitate the processes of the assessment plan. This work will begin in 2001 and extend through 2002.

### Technical Assistance in Rural New York

In May 2000, six candidates from the Master of Public Administration Program of the Maxwell School of Citizenship and Public Affairs spent three intense weeks researching environment-related technical assistance available to rural New York communities. The students conducted in-person and telephone interviews of twenty-five communities. Their research was supported by the New York State Rural Development Council. It concluded that there are a number of technical assistance programs available but that there are two primary problems: 1) the communities do not know how to access the programs and 2) there is fragmentation in the delivery of the

assistance. Based on the interviews with community decision-makers the research concluded that a program, such as the Public Management and Finance Program, is needed to coordinate and connect technical service providers to enable holistic approaches to rural community problems.

### INITIATIVES FOR 2001

- Under the leadership of EFC 6 at the University of New Mexico, join with the EFCs at University of Maryland (EFC3), the University of North Carolina (EFC4), the University of Louisville (EFC4), and Boise State University (EFC10) to design and implement the *Source Water Protection* project.
- Facilitate the processes necessary to implement the *Brownfields Assessment Pilot* project, for which the City of Syracuse received \$250,000.
- Implement the *Public Management and Finance Program* and develop a national model in which the content can contribute significantly to the *National Environmental Finance Program*.
- Deliver *training modules in environmental finance* to Russia, in partnership with the Institute of Urban Economics in Moscow.
- Submit a proposal to the USDA Rural Utility Services for funding to provide *technical assistance for water and wastewater* issues in Tioga County, New York, which is designated as a Rural Economic Area Partnership (REAP) zone.
- In cooperation with Home Headquarters, a nonprofit housing and community development agency in Syracuse, develop a proposal for a

*construction debris recycling program* in which material from demolished buildings can be reused.

### **SPECIAL PROJECTS AND PRESENTATIONS**

- February, 2000, collaborated with the USDA Rural Utility Services to present environmental finance and infrastructure development information at the New York State Association of Towns Annual Conference in New York City.
- March, 2000, presentation about the International Environmental Finance Technical Assistance Program in Moscow, Russia.
- April, 2000, presentation about the Public Management and Finance Program concept to the City Manager's office in Batavia, New York.
- April, 2000, presentation about the Public Management and Finance Program concept to Niagara Mohawk Foundation.
- April, 2000, presented, "Water and Wastewater Rate Setting" and "Capital Budgeting" at a workshop sponsored by the New York Rural Water Association in Lake Placid, NY.
- May, 2000, presented "Success Models of Urban Strategies to Reduce Visual Environmental Decay and Promote Home Ownership Retention" at the annual conference of the Onondaga Citizens League.
- June, 2000, presented "Technical Assistance in Rural New York Communities" and "Predatory Lending Practices and Environmental Justice" to the Rural Development Council and Home Headquarters, Inc.
- July, 2000, presented technical information about the EPA proposed Ground Water Rule to small water system operators in four regions, five towns, within New York State.
- July, 2000, conducted charrette in Montpelier, Vermont to discuss water and wastewater funding programs.
- October, 2000, presented findings from analysis of Vermont's water and wastewater funding programs and financial model to Vermont Agency of Natural Resources, Vermont Council on Rural Development, and the USDA Rural Development Division.